

Statement of
The Honorable David S. C. Chu
Under Secretary of Defense for Personnel and Readiness
Before the
Subcommittee on Civil Service and Agency Organization
On
“The Federal Hiring Process II: Shortening the Long and Winding Road”
July 13, 2004

Good morning Madame Chairwoman, Ranking Member Davis and members of the Subcommittee. I appreciate the opportunity to testify before you on the current efforts and progress made by the Chief Human Capital Officer Council Subcommittee on Federal Hiring, and the challenges the Department of Defense faces in attracting talented employees.

Hiring Subcommittee

Nothing is more important than ensuring we have the right talent at the right time to support the Federal Government. The Hiring Subcommittee has met on a regular basis to discuss actions to improve recruiting and streamline employee hiring. We have reported our first group of recommendations to the full CHCO Council for consideration, and our second report will soon be submitted. These findings are under consideration and I expect will be the subject of lively debate.

Hiring, of course, is just one element in the process of ensuring the right talent is there at the right time to support Federal needs. Equally important is persuading Americans, especially young Americans--the next generation of talent--that they should consider a Federal post. The Chief Human Capital Officers Council properly views recruiting--broadly defined--as an important part of the Subcommittee's charter. Our challenge is quite clear from surveys of young Americans. Brookings' survey of college students, for example, reports that many seek public service--but that a government job is not necessarily their first choice in pursuing that preference. Changing these perceptions and improving the recruiting process is therefore on of the Subcommittee's priorities.

Department of Defense Hiring Initiatives - Overcoming the Challenges

The Department is keenly aware of these issues and is actively working to address them as highlighted in our Civilian Human Resources Strategic Plan and quarterly reports.

The Department continues to face an enormous challenge in recruiting talent in a highly competitive labor market. Our challenge is not attracting sufficient applicants, but attracting the right applicants. Technological advances, contract oversight, and complex missions have generated the need for employees with advanced education and greater technical skills. Inability to hire the right civilian talent would put at risk the vital capabilities needed to support our military and decrement the efficiency of the Department's "Total Force."

Another concern is overcoming the retirement wave. As more individuals become eligible for retirement, the pressure rises to retain the knowledge that only they possess. We consistently look for creative ways to retain this knowledge and for flexibilities that allow these talented individuals to ease into retirement. A holistic approach must be undertaken to achieve our strategic goals to ensure we have the right mix of talent for the future.

The flexibilities that Congress granted through the National Security Personnel System last year go a long way to improve the Department's ability to recruit, competitively compensate and retain talented individuals. We will also be taking advantage of the government-wide hiring flexibilities included in Title XIII of the Homeland Security Act of 2002, as well as special authorities granted by the Office of Personnel Management, to meet our hiring challenges, especially in Iraq.

Improving Candidate Outreach and Application Process

There must be a very active campaign for recruitment of a diverse workforce. We take seriously the responsibility to foster and promote an environment that is attractive to individuals from all segments of society. Our strategic plan focuses on the recruitment of entry-level, minority, disabled, and female applicants. We will continue to develop a diverse workforce based on an assessment of current workforce demographics, awareness of representation issues, and commitment to actions that will result in a highly qualified and representative workforce.

Additional outreach and heightened recruitment efforts are needed to educate the American public on the benefits of being a potential Department employee. Last year we established the Defense Applicant Assistance Office (DAAO) to help job applicants considering DoD civilian careers by providing a conduit between them and DoD recruiters, using web technology, electronic mail and, most important, live interaction with DAAO staff advisors. The staff offers assistance with completing required documentation and forms and provides advisory guidance on responding to vacancy announcements. DAAO facilitates a Department-wide recruitment outreach program, especially to colleges and universities, advocates changes in human resources recruitment and staffing processes, and maintains a DoD corporate branding identity that promotes DoD "as the employer of choice." The DAAO website <http://www.go-defense.com/> has received over 82,000 hits since February 2003.

Efforts continue to market the Department as an "employer of choice." Marketing needs to be multi-faceted in identifying or "branding" to educate the public. This branding will showcase the Department's mission and civilian occupations using various mediums.

Maximizing Use of Hiring Flexibilities

We appreciate the government-wide flexibilities granted by Congress and are actively pursuing the use of these authorities. The Department has taken advantage of the direct hire authority granted by the Office of Personnel Management. The authority has been

delegated down to the lowest appropriate level in the Department, providing managers the greatest flexibility possible to timely recruit talented individuals.

This is evident in the use of direct hiring authority for Iraqi reconstruction efforts. It allowed for the expedient appointment of individuals with fluency in Middle Eastern languages, including special “excepted” appointment for non-U.S. citizens. The Department is currently in the process of implementing the use of alternative (category-based) rating and selection procedures as granted in the June 15, 2004, Federal Register.

Incentives for Talent

In order to compete with the private sector for skilled and competent workers the Department must continue to implement flexible work arrangements, support and services for childcare and elder care, student loan repayment, benefits tailored to meet their needs, and a safe and healthy work environment. We must invest in our employees and ensure that they have the skills and developmental activities available to continue to grow and meet changing mission requirements.

We are reviewing our intern programs to ensure they meet the intake needs for the Department and match changing demographics of possible new hires. On-going efforts are in place to continue to assess and develop new fellowship programs in specialized functional areas. Fine-tuning is taking place on department-wide development programs, such as the Defense Leadership and Management Program (DLAMP). DLAMP is the

premier leadership and executive development program for senior Department civilians and a key component of our secession planning strategy. As the Department works to transform the force, reform human resources, and plan for the workforce of the future, DLAMP fills a vital need. All these initiatives require a paradigm shift in the way we currently think and manage our workforce.

Time to Hire and Assessment Tools

On average it takes the Department 35 workdays from the time a vacancy announcement closes until a tentative offer is extended to the candidate. Three steps would significantly reduce the time from closing to offer, while preserving merit system principles and institutional values:

- reduce security clearance processing time
- eliminate the difficulty in hiring at the entry level (Luevano)
- create efficient and effective assessment tools

We have made improvements in our assessment tools, but they still would benefit from further development. Effective and efficient assessment tools are required to assist in predicting the relative success of applicants on the job and selecting the relatively best person for the job. Properly placed candidates with the right skills increase job satisfaction and enhance mission effectiveness.

Force Shaping

The Department has experienced significant downsizing, base closures, and organizational realignment over the last fifteen years. In support of pending Base Realignment and Closure Activities the Department is relooking at transition initiatives to ensure drawdowns are handled strategically, not only to take care of employees, but to make sure we maintain and continue to recruit the talent needed to support the Department's mission.

At the same time, the Department recognizes that a number of positions now filled by military personnel could equally well be filled by civilians. The Department is engaged in a reassessment of these positions, planning to move approximately 10,000 in FY 2004 and an additional 10,000 in FY 2005—some to contract personnel, some to civil service. Many of the civil service positions are likely to be in exactly the technical areas where we need an improved hiring process. They will add to the challenge we face in recruiting the next generation of civil servants. We deeply appreciate the new flexibilities that the Congress has given us with which to meet the challenge.

CONCLUSION

The Department will continue to pursue initiatives to transform civilian personnel policies to meet the needs of the Nation. We will continually evaluate the viability of delegation of approval authorities to the lowest practicable level. We are faced with an

enormous challenge in recruiting our total force: we will take a strategic approach to ensuring we have the right mix of talent to sustain our mission, and meet the nation's needs.

The Department's effort must not end with recruiting a talented workforce. We must provide a challenging work environment, and opportunity for growth and advancement. And, we must reward the best performers properly, to attract the strongest performers in the first place.

Let me thank you again, Madame Chairwoman, Ranking Member Davis, and other members of the subcommittee, for the opportunity to testify this morning. This concludes my remarks. I will be glad to answer your questions.